



## Chapter 10

# Special Capital Allotment Categories

## 10.1 Capital Project Administration, Management, and Staffing

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### Staff FTEs and administration costs

Agencies that charge staff FTEs and other administrative costs to capital appropriations should allot these FTEs and costs as part of the capital packet, with particular attention given to the correct object coding (salaries, benefits, goods and services, etc.).

Agencies and institutions will submit capital-funded FTE information through the CBS/BASS system. The required information includes job classification and range for each capital funded FTE, as well as funding codes and amounts that support these FTEs. Information for the current biennium (1999-01) should show the FTEs and capital funds expended during the 1999-01 Biennium. Information for the new biennium should show the FTEs and capital funds distribution for the 2001-03 Biennium. The funding amounts should include salary and benefits only for the capital-funded FTEs (do not include travel, training, or administrative indirect charges).

Contact your OFM capital budget assistant if you have questions.

### When can capital construction funds pay for staff or administrative expenses?

Capital construction funds (whether funded with bond proceeds, revenues deriving from fees, or other cash) are generally dedicated to the acquisition, construction, and renovation of fixed capital assets and should not be used to subsidize operating budget costs. However, costs incurred by agencies in the development and administration of capital projects are direct costs and can be considered part of the project cost. Other costs, such as developing and managing an agency's capital facilities and creating a capital budget, are more appropriately charged to the operating budget.

See Capital Plan Instructions for further information regarding allowed agency costs in capital appropriations. These instructions identify when capital funds can support administrative and staffing expenses. They apply to non-highway funds.

## 10.2 Omnibus Capital Appropriations

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**Do I need to submit project lists before my allotment is approved?**

Language in many of the statewide minor works and omnibus appropriations requires agencies to maintain a detailed subproject list with OFM. The allotment process will be used to satisfy this requirement.

Agencies receiving an omnibus appropriation must submit a list of projects conforming to the scope and intent of the appropriation in the enacted capital budget bill. The projects through the CBS/BASS system should be listed in priority order. For flexibility, additional projects may be listed on the initial submittal list; however, the total cost of all projects listed may not exceed 120 percent of the appropriation. Allotments cannot be approved without these project lists.

**Project reports are due to OFM in August**

Agencies must submit updated project status reports to OFM each August. These reports must identify changes in the project lists and provide appropriate explanation for the change. OFM will share these reports with legislative budget committee staff. See also Chapter 11.2.2 of these instructions.

**Omnibus project substitutions**

There may be instances where an agency needs to add or substitute projects based on circumstances or events unknown at the time of the initial budget request or allotment. OFM recognizes that flexibility is required but will monitor substitutions carefully. The following criteria guide agencies when substitutions are considered:

- Determine if there is adequate funding to support a newly identified project within the minor works or omnibus appropriation.
- For agencies with an infrastructure savings appropriation, investigate the possibility of transferring excess funds from completed major projects into the infrastructure account to fund the newly identified project.
- Determine if there is sufficient emergency or unidentified repairs and improvements funding available from which to fund the newly identified project.
- Review the rest of the agency's capital budget to determine if the new project falls within the scope of appropriation language of another specific project
- If there are no other funds that can be used to complete the necessary project, the agency can make a project substitution without prior approval by OFM. OFM should be notified in advance of the substitution. Justification for the substitution should be explained in the agency's annual report.

## 10.3 Capital Reappropriations

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**Expenditures  
from  
reappropriations  
are limited**

Actual expenditures from reappropriations will be limited to the unexpended balances remaining after all accounting entries for the current biennium are recorded and the accounts reconciled. Since the ending balances generally will not be known until October, the agency's biennial ending balance for the appropriations should be used as the basis for establishing the reappropriation in the initial allotment. This estimate may be no larger than the amount shown on the capital Appropriation Schedule. Any difference between the Appropriation Schedule and the amount allotted should be placed in unallotted status.

OFM will adjust reappropriation amounts using the audited accounting actuals for the prior biennium to ensure that the total project appropriation is not exceeded. C-numbered packets adjusting the allotment to the new reappropriation may be submitted as soon as the final reappropriation amounts are known.